



**BERK-SHEER
FABRICS**

ANNUAL REPORT

BERKSHIRE

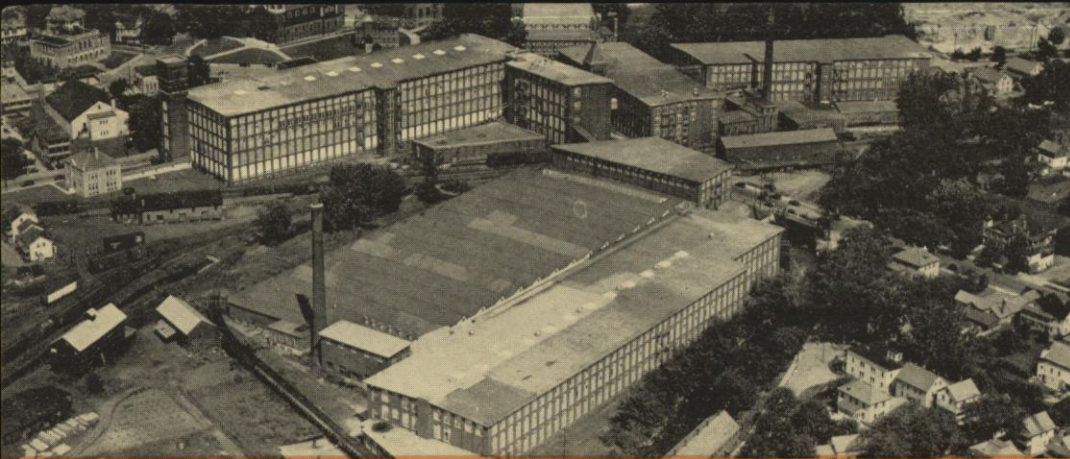
FINE SPINNING ASSOCIATES, INC.

FOR

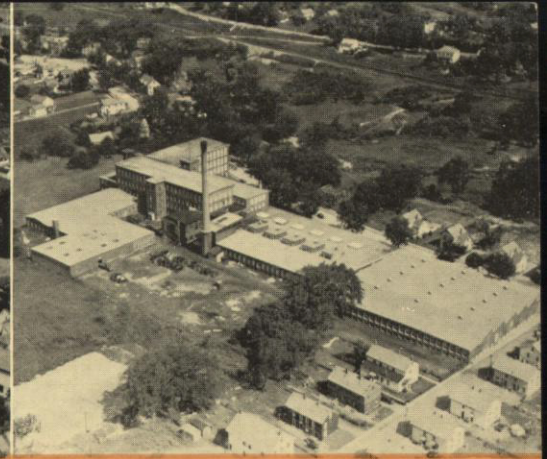
1944

MRS
BORG. FILS

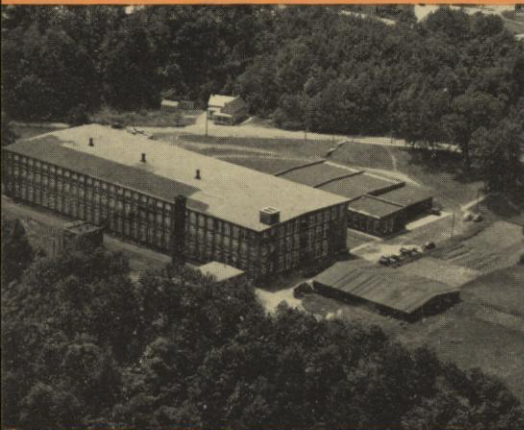
CLEVELAND PUBLIC LIBRARY
BUSINESS INFORMATION BUREAU
CORPORATION FILE



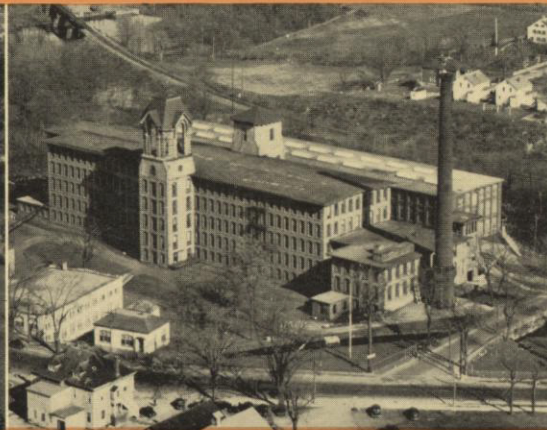
BERKSHIRE DIVISION, ADAMS, MASS.



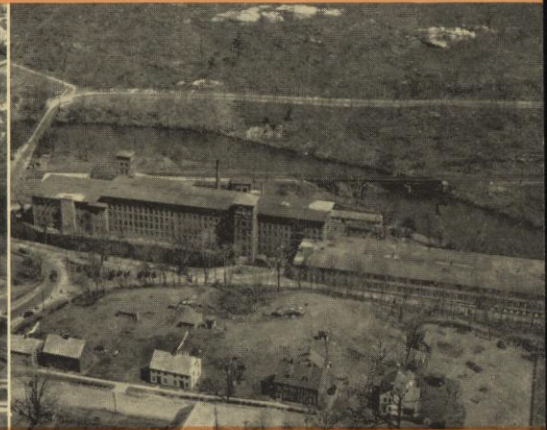
**GREYLOCK "A" DIVISION
NO. ADAMS, MASS.**



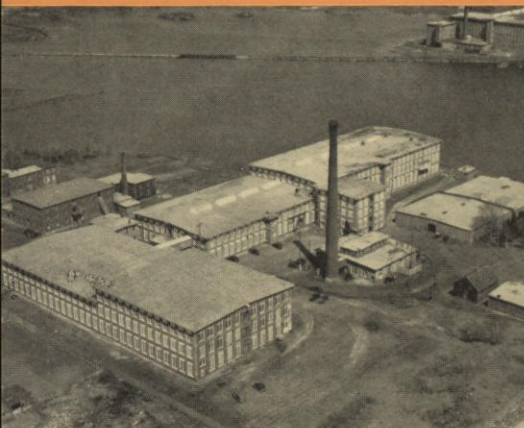
**FORT DUMMER DIVISION
BRATTLEBORO, VT.**



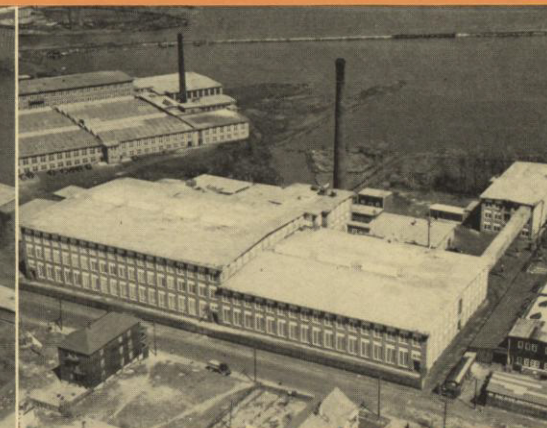
**COVENTRY DIVISION
ANTHONY, R. I.**



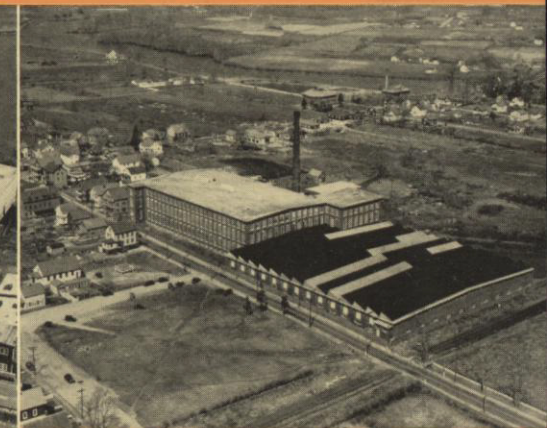
**VALLEY FALLS DIVISION
ALBION, R. I.**



**KING PHILIP "A" DIVISION
FALL RIVER, MASS.**



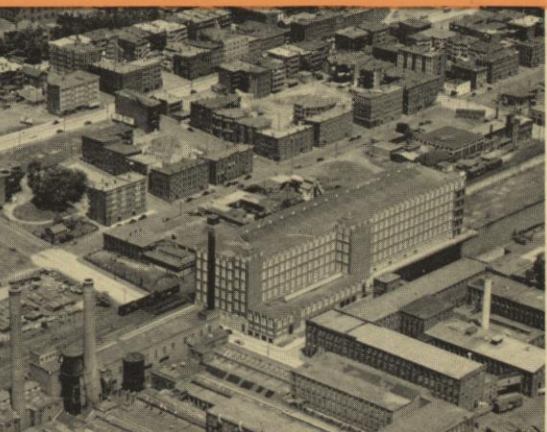
**KING PHILIP "B" DIVISION
FALL RIVER, MASS.**



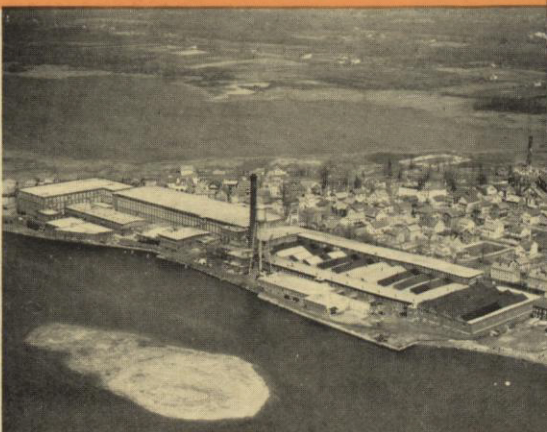
**KING PHILIP "D" DIVISION
WARREN, R. I.**



**KING PHILIP "E" DIVISION
FALL RIVER, MASS.**



**HOLYOKE DIVISION
HOLYOKE, MASS.**



**WARREN TEXTILE
WARREN, R. I.**

BERKSHIRE FINE SPINNING ASSOCIATES, INC.

ANNUAL REPORT 1944

DIRECTORS

JONATHAN CHACE
MALCOLM G. CHACE, JR.
LINSLEY V. DODGE
MANLIO FROVA
ROBERT J. HODGSON, JR.
W. R. L. MCBEE
FREDERICK MCGOWAN
*JOHN H. MCMAHON

HENRY S. NEWCOMBE
WILLIAM A. O'HEARN
*RALPH H. PAIGE
WILLIAM C. PLUNKETT
*GIBBS W. SHERRILL
THOMAS F. TANSEY
GEORGE E. WESTBERG
AVERY K. WHITE

A. N. WINSLOW, JR.

**Executive Committee*

OFFICERS

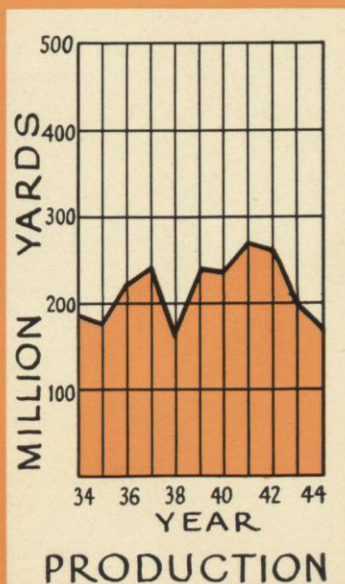
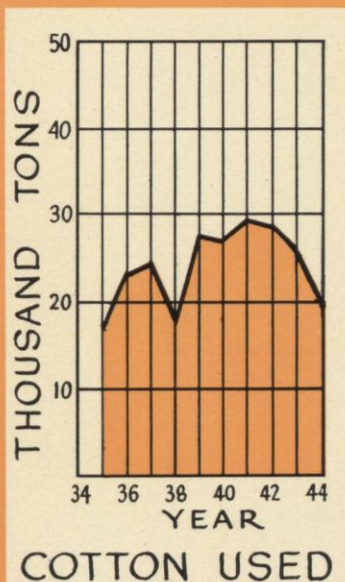
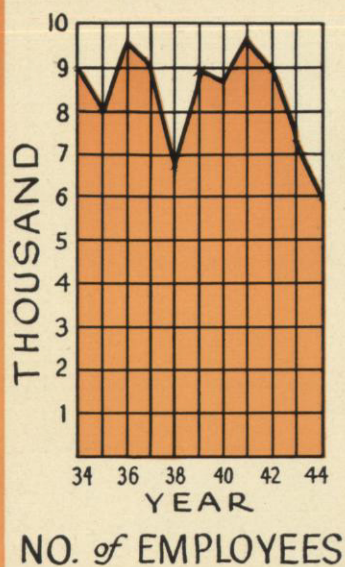
<i>President</i>	JOHN H. MCMAHON
<i>Treasurer and Vice President</i>	MALCOLM G. CHACE, JR.
<i>Vice President</i>	WALLACE E. STODDARD
<i>Vice President</i>	THOMAS F. TANSEY
<i>Vice President</i>	GEORGE E. WESTBERG
<i>Vice President</i>	AVERY K. WHITE
<i>Assistant Treasurer</i>	EDWARD H. ARNOLD
<i>Assistant Treasurer</i>	LINSLEY V. DODGE
<i>Assistant Treasurer</i>	HENRY S. NEWCOMBE
<i>Clerk</i>	GIBBS W. SHERRILL

OPERATIONS

The products and services of the Berkshire Fine Spinning Associates, Inc. are provided by the following divisions and wholly owned companies:

BERKSHIRE FINE SPINNING ASSOCIATES, INC.
MICO TEXTILE DIVISION
FINE GOODS SALES ASSOCIATES, INC.
WARREN TEXTILE AND MACHINERY SUPPLY CO.
SHELLMOUND WAREHOUSE COMPANY

operating Mills at Adams, North Adams, Holyoke and Fall River, Massachusetts, Albion, Anthony and Warren, Rhode Island and Brattleboro, Vermont.



BERKSHIRE FINE SPINNING ASSOCIATES, INC.

Annual Report

AS OF SEPTEMBER 30, 1944

*To The Stockholders of
Berkshire Fine Spinning Associates, Inc.*

There is herewith presented a Consolidated Balance Sheet of your Company at September 30, 1944 and a Condensed Consolidated Statement of Income and Earned Surplus, together with a Statement of Capital Surplus for the year ended at that date. A Balance Sheet of Warren Textile and Machinery Supply Co., a wholly owned subsidiary, which is not consolidated, is also submitted.

The Sales for the year were \$31,695,890.34, as compared with \$38,679,236.55 in the previous fiscal year. The loss in volume was due to the curtailment of production because of a critical shortage of labor caused by higher paid war industries; also a ten weeks' strike in three of our mills in the Fall River area due to a jurisdictional argument of collective bargaining rights between two separate Unions.

The Net Profit for the year, after all charges, including Taxes on Income amounted to \$1,602,047.36 as compared with \$1,724,446.21 for the fiscal year ending in 1943.

Your Company has renegotiated its war contracts with the Government for the period ended September 30, 1943. This adjustment is reflected in the Statements attached.

More than 1150 of the Company's employees are now in the Armed Services. Many of these employees have had long years of service before answering their country's call to duty and their absence is deeply felt.

Taxes charged against the earnings are, Income Taxes \$4,643,-433.22, Social Security Taxes \$263,596.42, Property and Miscellaneous Taxes \$229,028.75, totaling \$5,136,058.39.

During the fiscal year four dividends of \$1.75 a share were paid on the 7% Convertible Preferred Stock; four dividends of \$1.25 a share were paid on the \$5.00 Dividend Cumulative Convertible Preferred Stock and four dividends of \$.50 a share on the Common Stock.

At the end of 1944 all employees were insured under the Corporation's Group Life Insurance Plan which has been underwritten by several Insurance Companies.

Committees of the Directors are working in groups along with Management in studying postwar plans.

We are still keeping an especially close check on our inventories and commitments as we realize postwar days may carry many changes. We do not expect material reconversion charges but this item at the present time is necessarily an unknown factor.

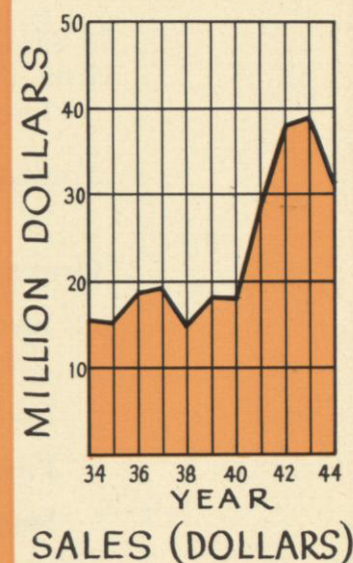
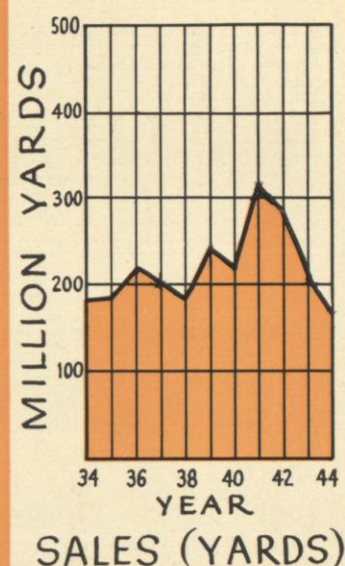
Our appreciation is extended to the officials and employees of the Company for their loyal and efficient services given so wholeheartedly during the year

Respectfully submitted,

JOHN H. McMAHON

President

November 9, 1944



HONOR ROLL

BERKSHIRE
EMPLOYEES IN
THE
ARMED FORCES



1157

BERKSHIRE FINE SPINNING ASSOCIATES, INC.

(The accounts of Warren Textile and Machinery Supply Co. not consolidated)

Condensed Consolidated Statement of Income and Earned Surplus

FOR THE YEAR ENDED SEPTEMBER 30, 1944

GROSS INCOME			
Sales	\$31,695,890.34		
Other Income	70,196.72		
TOTAL GROSS INCOME		\$31,766,087.06	
Less: Cost of Sales, Operating, Selling and Other Administrative Charges		24,951,269.92	
PROFIT FOR PERIOD BEFORE DEPRECIATION AND OTHER DEDUCTIONS		\$ 6,814,817.14	
Less: Interest Paid	2,568.53		
Depreciation	565,592.75		
Loss from Disposal of Plant Assets	1,175.28		
Provision for Taxes on Income	\$5,086,433.22		
Less: Post-War Refund	443,000.00	4,643,433.22	5,212,769.78
NET INCOME FOR PERIOD TRANSFERRED TO EARNED SURPLUS		\$1,602,047.36	
Earned Surplus at Beginning of Year		2,711,864.20	
Total		\$4,313,911.56	
Less: Provision for Payment to U. S. Government Resulting from Renegotiation of War Materials Contracts for Year Ended September 30, 1943		200,000.00	
Dividends Paid:			
7% Preferred Stock at \$7.00 per Share	33,880.00		
\$5.00 Dividend Preferred Stock at \$5.00 per Share	326,450.00		
Common Stock at \$2.00 per Share	914,252.00	1,274,582.00	1,474,582.00
EARNED SURPLUS (Since September 30, 1939) AT CLOSE OF YEAR		\$2,839,329.56	

CONSOLIDATED CAPITAL SURPLUS ACCOUNT

SEPTEMBER 30, 1944

CAPITAL SURPLUS BALANCE AT SEPTEMBER 30, 1944 (No Change During Year)	\$155,116.98
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CERTIFICATE OF AUDITORS

We have examined the Consolidated Balance Sheet of Berkshire Fine Spinning Associates, Inc. and its subsidiaries, at September 30, 1944 and the Consolidated Statements of Income and Surplus for the year then ended, have reviewed the system of internal control and the accounting procedures and, without making a detailed audit of the transactions, have examined or tested accounting records and other supporting evidence, by methods and to the extent we deemed appropriate. Except that it was not practicable to confirm receivables from United States Government Departments, as to which we have satisfied ourselves by means of other auditing procedures, our examination was made in accordance with generally accepted auditing standards applicable in the circumstances, and included all procedures which we considered necessary.

In our opinion, the accompanying Consolidated Balance Sheet and related Statements of Income and Surplus, with the notations thereon, present fairly, the Company's consolidated financial position at September 30, 1944 and the consolidated results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

COMERY, DAVISON & JACOBSON
Certified Public Accountants

Providence, R. I., October 20, 1944

WARREN TEXTILE AND MACHINERY SUPPLY CO.

Balance Sheet

SEPTEMBER 30, 1944

ASSETS

CURRENT ASSETS	
Cash	\$ 4,698.95
Accounts Receivable	3,934.05
Inventories	78,155.89
TOTAL CURRENT ASSETS	\$ 86,788.89
OTHER ASSETS AND DEFERRED CHARGES	
Prepaid Insurance and Taxes	11,459.88
Post-War Refund of Excess Profits Taxes	1,541.80
TOTAL OTHER ASSETS AND DEFERRED CHARGES	13,001.68
PLANT ASSETS	
Properties Comprising Land, Buildings, Machinery and Equipment (Depreciated Book Value)	98,105.36
TOTAL ASSETS	<u>\$197,895.93</u>

LIABILITIES AND CAPITAL

CURRENT LIABILITIES	
Accounts and Vouchers Payable	\$ 9,105.49
Taxes Accrued or Payable	6,533.20
Social Security and Withholding Taxes Payable	3,120.26
Provision for Taxes on Income	6,800.00
TOTAL CURRENT LIABILITIES	\$ 25,558.95
DUE BERKSHIRE FINE SPINNING ASSOCIATES, INC.	56,783.30
CAPITAL	
Common Stock (300 Shares — No Par Value)	30,000.00
Earned Surplus — September 30, 1943	\$68,753.26
Add: Net Profit for Year	16,800.42
Earned Surplus — September 30, 1944	85,553.68
TOTAL CAPITAL	115,553.68
TOTAL LIABILITIES AND CAPITAL	<u>\$197,895.93</u>

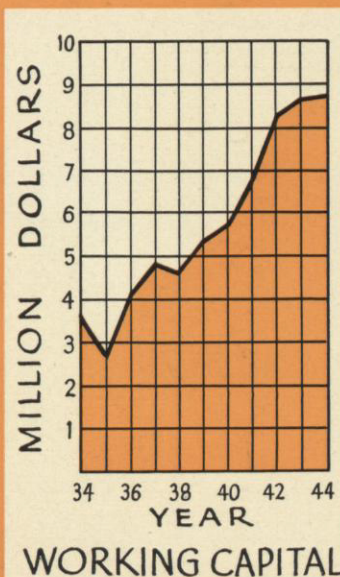
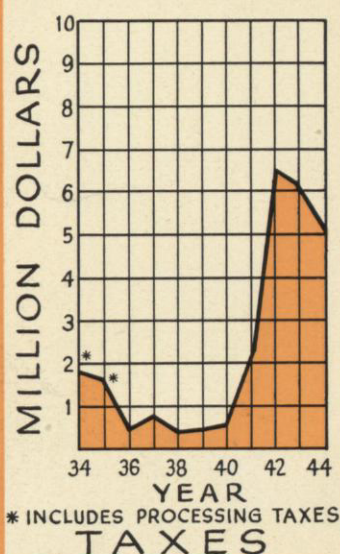
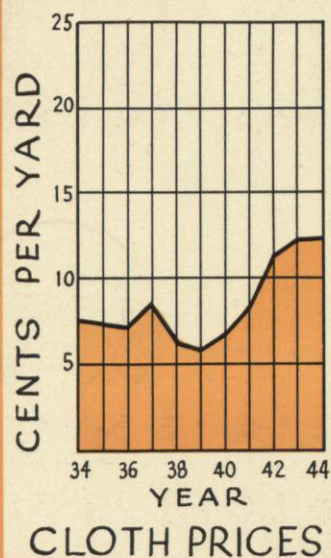
CERTIFICATE OF AUDITORS

We have examined the Balance Sheet of Warren Textile and Machinery Supply Co. at September 30, 1944 and the Analysis of Income and Surplus for the year then ended, have reviewed the system of internal control and the accounting procedures and, without making a detailed audit of the transactions, have examined or tested accounting records and other supporting evidence, by methods and to the extent we deemed appropriate. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included all procedures which we considered necessary.

In our opinion, the accompanying Balance Sheet and related Analysis of Income and Surplus, present fairly the position of Warren Textile and Machinery Supply Co. at September 30, 1944, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

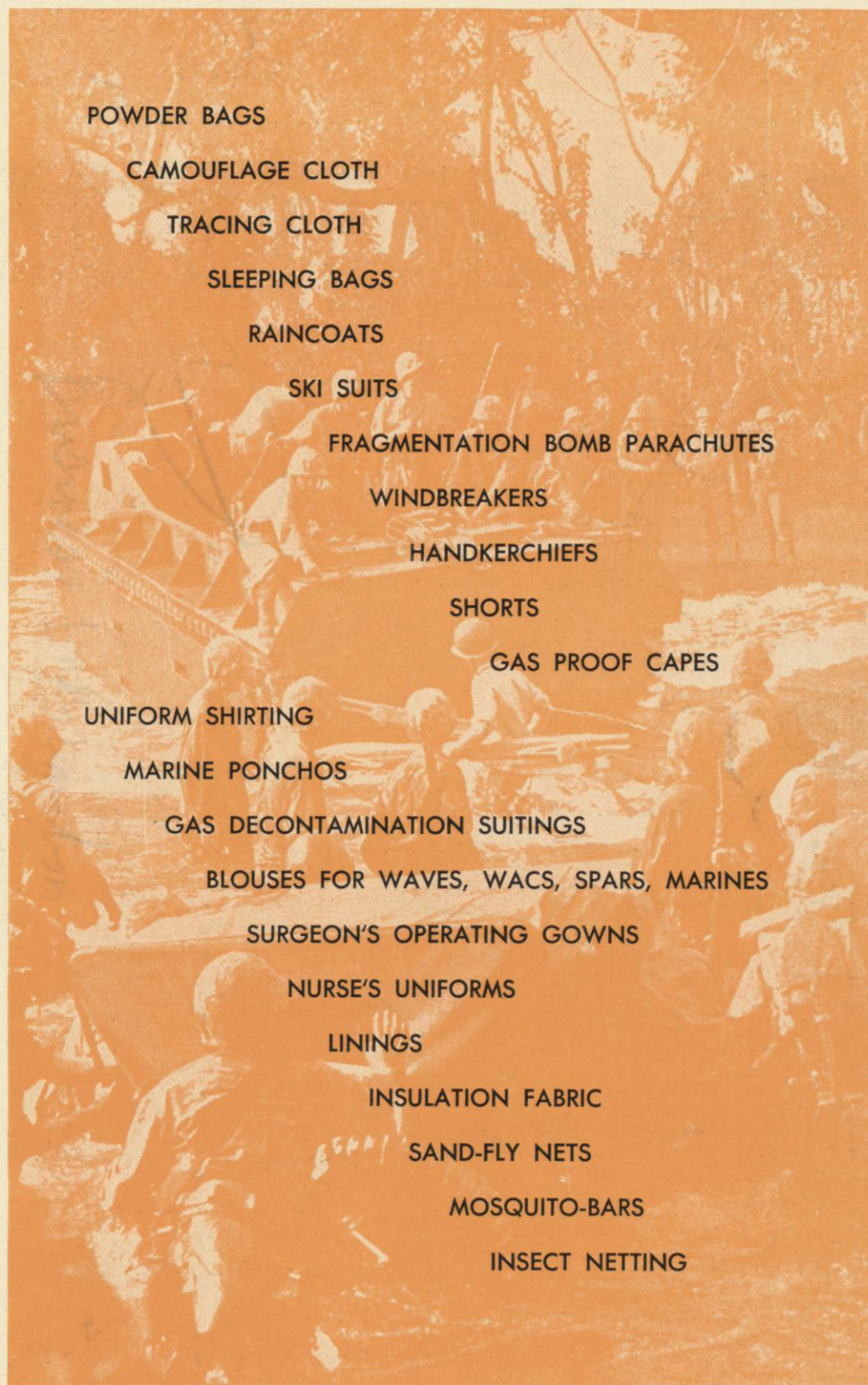
COMERY, DAVISON & JACOBSON
Certified Public Accountants

Providence, R. I., October 20, 1944



OUR WAR TASK

Cloth Built for Combat Duty



POWDER BAGS

CAMOUFLAGE CLOTH

TRACING CLOTH

SLEEPING BAGS

RAINCOATS

SKI SUITS

FRAGMENTATION BOMB PARACHUTES

WINDBREAKERS

HANDKERCHIEFS

SHORTS

GAS PROOF CAPES

UNIFORM SHIRTING

MARINE PONCHOS

GAS DECONTAMINATION SUITINGS

BLOUSES FOR WAVES, WACS, SPARS, MARINES

SURGEON'S OPERATING GOWNS

NURSE'S UNIFORMS

LININGS

INSULATION FABRIC

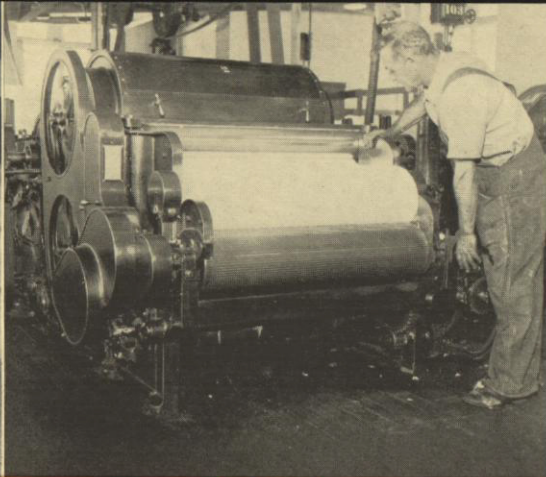
SAND-FLY NETS

MOSQUITO-BARS

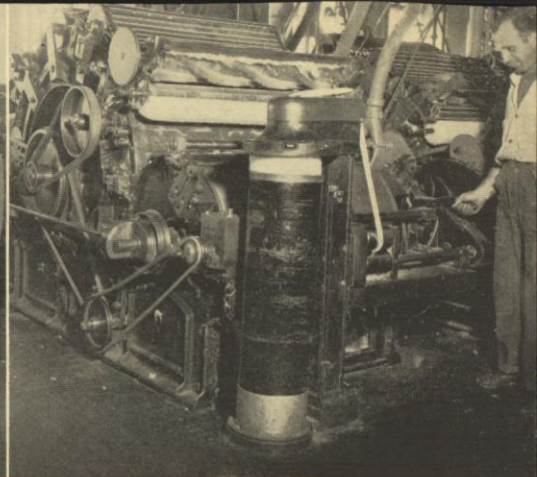
INSECT NETTING



OPENING



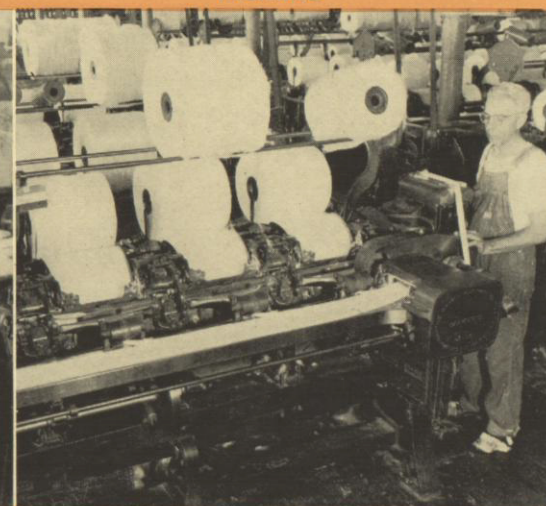
PICKING



CARDING



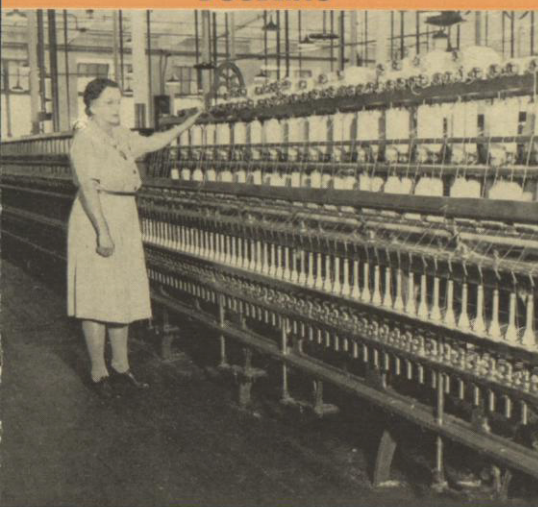
DOUBLING



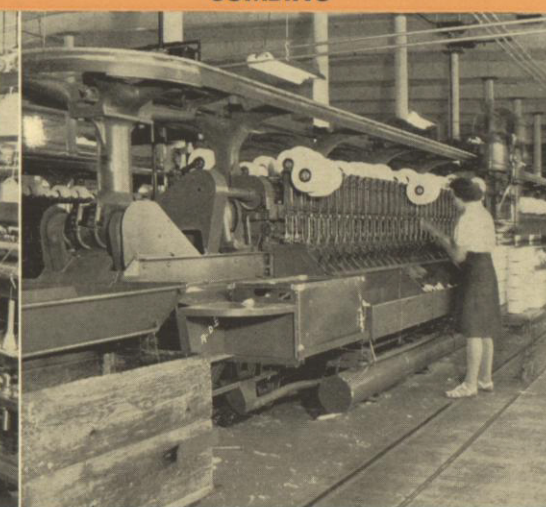
COMBING



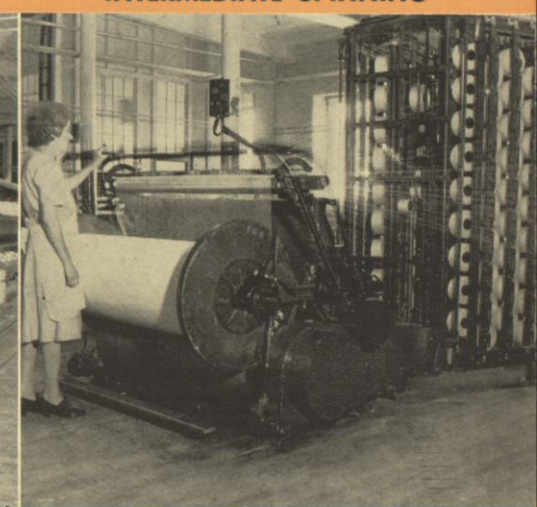
INTERMEDIATE SPINNING



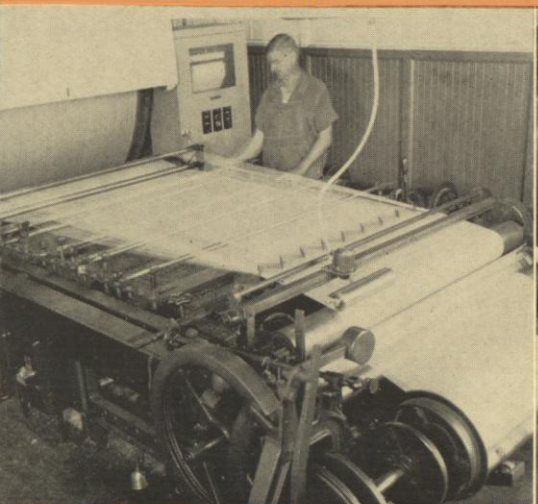
SPINNING



SPOOLING



WARPING



SLASHING



WEAVING



INSPECTING



Window Charm
CREATED BY
BERK-SHEER WEAVERS
Makers of fine fabrics since 1885



AFTER VICTORY

EXECUTIVE OFFICES

TURKS HEAD BUILDING, PROVIDENCE, R. I.

SALES OFFICES

271 CHURCH STREET, NEW YORK, N. Y.

40 WORTH STREET, NEW YORK, N. Y.

261 FIFTH AVENUE, NEW YORK, N. Y.